



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE

REFER TO FILE: **C-1**

March 17, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**FIND CONTRACTOR IN DEFAULT
PROJECT ID NO. WRD0000009
SAN DIMAS DAM AND RESERVOIR DEBRIS REMOVAL
SUPERVISORIAL DISTRICT 5
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

Find the contractor, C.W. Poss, Inc., in default of their contract and authorize the Acting Director of Public Works to execute a takeover agreement with Fidelity and Deposit Company of Maryland to complete the work of the contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On June 19, 2003, your Board awarded this contract to C.W. Poss, Inc., for the removal of sediment within the reservoir at San Dimas Dam. Payment and performance bonds were furnished by Fidelity and Deposit Company of Maryland for 100 percent of the contract amount.

On July 16, 2003, C. W. Poss, Inc., started construction on the project and performed well and in accordance with the contract terms. On December 3, 2004, C.W. Poss, Inc., informed us by letter of their voluntary default on the project and requested that we make arrangements with their bonding company to complete the project.

Because of the contractor's failure to complete the work and their voluntary default, Public Works recommends that your Board find C.W. Poss, Inc., in default of their contract and authorize the Acting Director of Public Works to execute a takeover agreement with Fidelity and Deposit Company of Maryland to complete the project in accordance with the plans and specifications.

Implementation of Strategic Plan Goals

This action is consistent with the County Strategic Plan Goal of Fiscal Responsibility since it will provide for completion of the work at no additional cost to Public Works except for minimal administrative expenses.

FISCAL IMPACT/FINANCING

There will be no fiscal impact if the surety assumes responsibility for completing the work of the contract.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract specifications provide for the termination of the contract by your Board if such action is in the best interest of the County.

IMPACT ON CURRENT SERVICES

The recommended action will not have a significant impact on residents or motorists.

The Honorable Board of Supervisors
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CONCLUSION

Please return one approved copy of this letter to Public Works.

Respectfully submitted,

DONALD L. WOLFE
Acting Director of Public Works

JE:mh

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cc: Chief Administrative Office
County Counsel
Office of Affirmative Action Compliance